

## **VIII. Effect of the Demonstration on Administrative Costs**

One of the primary objectives of the SCCAP demonstration was to limit administrative costs by minimizing duplication of intake and application procedures for two federal programs. The SCCAP evaluation was designed to quantify, to the extent possible, the costs of demonstration implementation and the net effect of the demonstration on administrative expenditures related to the FSP. The evaluation also examined the costs associated with changes in benefit amounts paid out under SCCAP.

This chapter provides estimates of the extent to which SCCAP has had an effect on the costs of food stamp administration and benefits in South Carolina. Section A provides an estimate of the costs associated with the initial demonstration start-up activities. Section B identifies the costs and savings associated with the ongoing administration of SCCAP. Section C provides an estimate of the benefit amounts paid out under SCCAP. The net effect of the demonstration on the FSP, SSA, and SCDSS is discussed in Section D.

This study is limited in its ability to estimate precisely the costs and net effects of the demonstration due to the sparse data available. Because a rigorous cost study was not feasible within the resource limitations of this evaluation, estimates of costs and savings are derived from on-site interviews and staff surveys. In many cases, respondents expressed uncertainty about the estimates they provided regarding staff time committed to various SCCAP activities. Recognizing the imprecision of the cost data available, range estimates of costs and savings are more appropriate than exact dollar figures.

### **A. Costs of Initial Start-up of SCCAP**

Four major start-up activities were required for the initial implementation of the SCCAP demonstration: (1) planning, (2) training, (3) computer modifications, and (4) conversion and

outreach. Each of these start-up activities are detailed in Chapter III. Each step required the involvement of staff from both the SCDSS and the SSA. During site visits and telephone surveys, DIR staff sought estimates from various levels of staff regarding the amount of time spent to accomplish these start-up activities. Despite acknowledged limitations in the precision of the estimates, Table VIII.1 presents summary calculations of the staff time and other major costs incurred for each of the primary start-up activities, extrapolated from estimates provided by SCDSS and SSA staff.

Based on the cost data shown in Table VIII.1, the initial implementation of SCCAP is estimated to have cost \$140,000. This estimate is based solely on salary and major travel and postage expenditures. When additional costs, such as the value of fringe benefits for staff or other unreported direct costs (e.g., printing) are included, the overall estimated SCCAP start-up cost for SCDSS and SSA could be as high as \$200,000.

The estimated start-up costs are based on the SCCAP activities that were conducted rather than those that were planned. Had all planned activities been implemented, start-up costs likely would be higher. For example, original plans for the demonstration called for computer modifications of SSA data entry screens to facilitate the process for establishing and recording SCCAP eligibility for SSI recipients. Computer programming within the SCDSS was also requested to allow for automatic transfer of case data from the SSA to the SCDSS. Neither of these computer modifications was done during the demonstration period. If they had been, the associated costs would have been added to the initial start-up estimate. While these activities would have added to the up-front costs, it is likely that the modifications would have resulted in cost savings in the ongoing SCCAP administration.

**Table VIII.1**  
**Estimated Costs of SCCAP Start-Up**

	SCDSS		SSA		Total
	Hours	Average Hourly Rate	Hours	Average Hourly Rate	
<b>Planning</b>					
Central Office Staff	360	18	86	30	\$2,580
Field Office Staff	----	----	----	----	-----
Travel, Postage, etc.					-----
Subtotal					2,580
					\$12,060
<b>Training</b>					
Central Office Staff	144	18	90	30	2,700
Field Office Staff	1,150	15	550	20	11,000
Travel, Postage, etc.					1,835
Subtotal					15,535
					\$35,377
<b>Computer Modifications</b>					
Central Office Staff	120	20	80	30	2,400
Field Office Staff	----	----	75	25	1,875
Travel, Postage, etc.					-----
Subtotal					4,275
					\$6,675
<b>Conversion &amp; Outreach</b>					
Central Office Staff	2,660	18	60	30	1,800
Field Office Staff	1,167	15	----	----	-----
Travel, Postage, etc.					-----
Subtotal					1,800
					\$85,165
<b>Total Start-Up</b>	5,601		941		\$24,190
					\$139,277

Source: SSA estimates were derived from written estimates provided by SSA staff to Atlanta Regional Office and from interviews with selected SSA field office staff. SCDSS estimates were derived from interviews with central office and selected SCDSS field office staff.

## **B. Costs and Savings of Ongoing SCCAP Administration**

The SCDSS has reported that one of its principal interests in implementing this joint processing alternative was the potential savings from reducing the workload incurred by SCDSS staff processing food stamp applications. The SCDSS indicates that each food stamp caseworker typically has a caseload of approximately 250 clients. However, given that single-person SSI households require less frequent recertification and ongoing case management than other food stamp clients, caseworkers could be reasonably expected to handle a caseload of 500 SCCAP-eligible clients, according to SCDSS central office staff.

According to demonstration guidelines, all SCCAP participants are transferred from the county caseload and assigned to a staff person at the state office. Application, recertification, and ongoing case management activities are thereby centralized. County offices remain responsible, however, for initial training of all clients (including SCCAP participants) on the use of their electronic benefit transfer card.

Based on the assumption that field office staff no longer has responsibility for SCCAP cases, SCDSS staff estimate that savings have been achieved due to the potential reallocation of the equivalent of 40 caseworkers who do not have to be assigned to SCCAP cases. (Calculated as 20,000 cases at an average of 500 cases per worker). Based on an average salary per caseworker of \$18,000, the SCDSS figures that SCCAP has saved at least \$700,000 per year. This estimate is even higher if the value of fringe benefits and other overhead costs are included.

To obtain a more accurate estimate of SCCAP's impact on overall costs, SCDSS estimates of caseworker savings must be balanced against the additional costs that ongoing administration of SCCAP has incurred at both the SCDSS and the SSA. Additional SCCAP-related costs at the SCDSS can be at least partially attributed to the increased numbers of food

stamp participants that outreach efforts have brought into the system. In addition, some county processing of SCCAP applications continues to occur at the local SCDSS offices. According to SCDSS central office staff, field office staff process approximately 50 SCCAP applications each month. In addition to the SCCAP applications taken by the SCDSS, SSA field office staff continue to process new SSI applicants through the SCCAP eligibility and participation election process. Approximately 20 new SCCAP applications are processed by SSA each month. Additionally, SCDSS caseworkers indicate that they spend a limited amount of time answering questions from SCCAP clients who continue to seek their advice even after their case has been officially transferred to the central office. These efforts create additional costs.

**Table VIII.2**  
**Ongoing Costs of SCCAP Administration**

SCDSS			SSA	
<b>Increased FSP caseload due to SCCAP:</b>				
Outreach	8500			
New applicants per year	600		240	
	Hours	\$	Hours	\$
<b>Additional EBT training time</b> <b>(8500 x 15 min/case = 2,125 hours)</b>	2,125	19,125		
<b>Field office staff processing new SCCAP Applications</b>				
(600 x 15 min/case)	150	1,350		
(240 x 10 min/case)			40	800
<b>Field office staff responding to miscellaneous SCCAP client inquiries</b>				
(20,000 cases x 5 min/case)	4,808	41,589		
<b>State office staff assigned</b>				
Clerical (2 Full Time Equivalents (FTE))	4,160	37,440		
SCCAP Project Coordinator (.70 FTE)	1,456	21,840	52	1,560
<b>Total</b>			92	\$2,360

Source: Costs estimated by DIR analyst based on interviews with SSA and DSS staff.

Table VIII.2 summarizes estimates of the ongoing costs of administering SCCAP at both the SCDSS and the SSA. Based on estimates from various interviews and discussions with SCDSS and SSA staff, ongoing SCCAP administration appears to add approximately \$123,704 in labor costs (not including fringe benefits or associated costs) each year. Even after deducting these additional costs from the \$700,000 in estimated savings from reallocated staff, the SCCAP-related savings (\$576,000) remain substantial.

### **C. Increases in Benefit Payments Resulting from SCCAP**

SCCAP was intended to increase FSP participation among eligible SSI recipients through simplified application processes and outreach efforts. Because FSP participation among SSI-eligible clients is known to be significantly lower than that for other eligible populations, substantial opportunity for expansion exists. Increased participation will obviously result in greater expenditures by the FSP in total benefit amounts paid. This section provides a simple estimate of the increase in benefit payments resulting from SCCAP.

Although SCCAP is intended to increase food stamp participation among SSI recipients in South Carolina, an exact estimate of the extent to which SCCAP has accomplished this is not possible given the data available (see Chapter V). However, SCCAP outreach efforts have added approximately 8,500 SCCAP clients to the food stamp caseload. Table VIII.3 displays the calculations used to estimate the amount of increased benefits due to SCCAP. This estimate assumes that the new food stamp participants from the outreach effort represent the total SCCAP-induced participation increase.

**Table VIII.3**  
**Estimated Increase in FSP Benefit Payments Due to SCCAP**

FSP population increase due to SCCAP outreach efforts	8,500 cases
Average monthly SCCAP allotment (see Table VI.6)	\$21.29
Annual estimated increase in FSP benefit amounts due to SCCAP participation increase	\$2,171,580

Source: SCDSS, Supplemental QC review data

Approximately \$2.2 million in increased annual benefit payments in South Carolina can be attributed to increased food stamp participation resulting from SCCAP outreach activities. Of course, these payments are being directed to people who are eligible for, and presumably, in need of the benefits. Given the low error rates found in the supplemental quality control reviews, it is doubtful that much of these increased payments are going to ineligible persons.

**D. Net Economic Effects of the Demonstration on the FSP, the SCDSS, and the SSA**

The evaluation findings strongly suggest that the SCCAP demonstration has benefited the residents of South Carolina. Needy SSI recipients have realized as much as \$2.2 million in previously undistributed food stamp benefits. In addition, the increase in benefit payments was achieved while wages of approximately \$575,000 for SCDSS staff could be reassigned or reallocated within the state system. All of this has been achieved after initial start-up costs estimated at less than \$200,000.

The Food Stamp Program bears the burden for the positive net effects of SCCAP in South Carolina. The largest cost associated with SCCAP is the \$2.2 million in increased benefits paid out for new participants. The Social Security Administration has also incurred some additional burden as a result of SCCAP. The SSA continues to process new SSI applicants who are eligible for SCCAP, although the costs are estimated to be small. In fact, the data suggest that SCCAP-

related costs to the SSA in South Carolina total only several thousand dollars annually. If the burden of SCCAP were compared with the potential costs of regular joint processing (in which SSA staff would have to complete a full food stamp application), it is clear that SCCAP would result in substantial savings for the SSA. In reality, the SSA was rarely completing FSP applications under regular joint processing. However, given start-up costs of less than \$25,000 for the SSA and limited ongoing additional burden, SCCAP appears to be a cost-effective alternative to joint processing for the SSA.



## **IX. Effect of the Demonstration on Client Satisfaction**

One of the primary objectives of the SCCAP demonstration was to improve food stamp clients' satisfaction with the services received. DIR conducted a survey of SCCAP clients and other demonstration-eligible households to assess their knowledge of SCCAP and their level of satisfaction with the demonstration compared with the regular Food Stamp Program. The survey also sought to explore why clients chose to participate in SCCAP, to claim excess expenses and go through regular food stamp processing, or not to participate in the FSP at all. Section A examines respondents' knowledge of SCCAP, including certain program options and requirements. Section B discusses client satisfaction with the SCCAP application process at the SSA. Client satisfaction with the application process at the SCDSS is examined in Section C. Section D examines differences in perceptions between SCCAP participants and demonstration-eligible respondents who were not participating in the FSP.

As discussed in Chapter II, the final client survey sample consisted of 1,157 respondents. For analysis purposes, the sample was divided into eight categories, based on the respondent's FSP participation subgroup and their sample entry status. Participation was divided into three subgroups: (1) SCCAP participants, (2) SCCAP-eligible cases who claimed excess expenses and received food stamp benefits through regular processing, and (3) SCCAP-eligible individuals who were not participating in the FSP. Respondents were also stratified into three groups based on when they entered the demonstration-eligible caseload: (1) cases converted to SCCAP in October 1995, (2) SSI recipients who were not receiving food stamps and were targeted for outreach, and (3) new SSI applicants (after January 1, 1996). Table II.3 shows the number of completed surveys by participation strata and sample entry subgroup. This chapter will compare results for some of these subgroups. Also, for selected variables, findings are compared across

the two SSI claimant types – elderly or disabled<sup>1</sup>. The breakdown of sample participation and sample entry subgroups by elderly (age 65 and over) and disabled (under age 65) status is shown in Table IX.1.

**Table IX.1**  
**Survey Subgroups by Elderly/Disabled Status<sup>1</sup>**

	<b>Under Age 65 (Disabled)</b>	<b>Age 65 and Over (Elderly)</b>
<b>Conversion – SCCAP participants (N=102)</b>	39.2%	60.8%
<b>Conversion – SCCAP-eligible cases claiming excess expenses (N=98)</b>	64.3	35.7
<b>Outreach – SCCAP participants (N=144)</b>	48.6	51.4
<b>Outreach – SCCAP-eligible cases claiming excess expenses (N=132)</b>	68.9	31.1
<b>Outreach – SCCAP-eligible FSP nonparticipants (N=155)</b>	61.3	38.7
<b>New SSI applicant– SCCAP participants (N=154)</b>	52.6	47.4
<b>New SSI applicant – SCCAP-eligible cases claiming excess expenses (N=155)</b>	72.9	27.1
<b>New SSI applicant – SCCAP-eligible FSP nonparticipants (N=208)</b>	81.3	18.8
<b>Total (N=1,148)</b>	62.9%	37.1%

Source: Client satisfaction survey

<sup>1</sup> Subgroups differed significantly by elderly versus disabled status;  $p < .01$

Significant differences were apparent among groups, with SCCAP participants, especially those who were converted to the demonstration, more likely to be elderly. New SSI applicants, especially those claiming excess expenses and those who were not participating in the FSP, were more likely to be non-elderly disabled persons. Elderly people seem to be more likely to use the SCCAP option than disabled SSI applicants do. Given the younger age of the disabled sample and perhaps the higher shelter costs they incur, these households may be able to more easily document excess expenses to qualify for food stamp benefits outside of the SCCAP demonstration.

---

<sup>1</sup> For the purpose of this analysis, elderly versus disabled status is based solely on self-reported age of the client. Clients aged 65 and older are classified as elderly; all remaining clients are classified as disabled. Survey data were not linked to the SSI files; therefore SSA designation of claimant status is unknown.

### **A. Knowledge of SCCAP**

Because the SCCAP demonstration had been in operation for almost two years at the time of the client survey, one would expect SCCAP to be at least moderately well-known among demonstration-eligible SSI recipients. To determine the level of client awareness regarding SCCAP, all survey respondents, regardless of subgroup status, were read a brief description of SCCAP and asked if they had ever heard of this project. Only 11 percent said yes. Further, only 8 percent of those who did not know SCCAP by name were aware that certain SSI applicants could apply for food stamps when applying for SSI without completing a separate application. Overall, only 19 percent of the sample knew about SCCAP—either by name or as an alternative way to apply for food stamps.

However, certain subgroups were significantly more likely to know about SCCAP. As shown in Table IX.2, the highest level of awareness of SCCAP was exhibited by outreach clients, especially those participating in the demonstration. Thirty-four percent of outreach-SCCAP participants were aware of SCCAP. SCCAP participants who had newly applied for SSI during the demonstration period were the second most likely group to indicate awareness of SCCAP (23 percent).

Food stamp participants (both those in the demonstration and those claiming excess expenses) were asked several questions to assess their knowledge of specific SCCAP practices. Overall, knowledge of SCCAP operations appears low among all demonstration-eligible food stamp participants. Only 16 percent of those participating in the demonstration knew that households might receive higher food stamp benefits if they had higher than standard shelter or medical expenses and applied through regular processing. Surprisingly, the level of awareness among those already claiming excess expenses was the same. Similarly, only 18 percent of food

stamp participants were aware that they could apply through regular processing in the future if their expenses rose. As before, individuals who began participating in the FSP through SCDSS outreach efforts were significantly more aware of their ability to get higher benefits through regular processing of excess expenses now (22 percent) or in the future (24 percent) compared with those converted to SCCAP and new SSI applicants.

While most SCCAP clients reported that they were not aware of the program rules regarding excess expenses, the majority of respondents were aware of the requirement to report changes in living or food preparation arrangements. This requirement to report changes is the same for all food stamp participants, regardless of SCCAP status. Overall, 65 percent of SCCAP participants indicated that they were aware of the need to report status changes. SCCAP-eligible cases claiming excess expenses were significantly more knowledgeable than demonstration participants about the need to report changes. The fact that those claiming excess expenses continued to go through regular food stamp recertification procedures and schedules may have made them more keenly aware of these reporting requirements.

The questions regarding knowledge and awareness of SCCAP practices and requirements were examined across the elderly and non-elderly (i.e., disabled) subgroups. Knowledge that changes in living and food preparation arrangements must be reported was the only variable that was significantly ( $p < .01$ ) and substantively related to elderly status. Of those under 65 years of age, 76 percent knew that changes had to be reported compared with 63 percent of those 65 or older. Further, among respondents under 65, SCCAP-eligible cases claiming excess expenses were significantly more likely (81%) than SCCAP participants (70%) to know that changes in living and food preparation arrangements had to be reported. Such knowledge was not significantly related to SCCAP status among respondents aged 65 years or older.

**Table IX.2**  
**Awareness of SCCAP**

	Aware of SCCAP	Aware of Excess Expense Option	Aware of Excess Expense Option For Future Rise in Expenses	Aware Changes Must Be Reported
Conversions (N=202)	16.3%	11.4%	14.9%	67.3%
Outreach Cases (N=437)	22.0	21.9	24.3	70.3
New SSI Applicants (N=518)	15.4	12.6	14.2	73.1
	p < .05	p < .01	p < .05	NS
SCCAP Participants (N=404)	24.8	15.3	17.8	64.8
SCCAP-eligible cases claiming excess expenses (N=388)	13.4	15.8	18.1	76.7
SCCAP-eligible FSP nonparticipants (N=365)	15.6	NA	NA	NA
	p < .05	NS	NS	p < .01
Conversion - SCCAP Participants (N=104)	15.4	10.6	14.4	57.7
Conversion - SCCAP-eligible cases claiming excess expenses (N=98)	17.3	12.2	15.3	77.6
Outreach - SCCAP Participants (N=145)	33.8	19.3	22.8	65.3
Outreach - SCCAP-eligible cases claiming excess expenses (N=135)	14.8	24.6	25.9	75.6
Outreach - SCCAP-eligible FSP nonparticipants (N=157)	17.2	NA	NA	NA
New Applicants - SCCAP Participants (N=155)	22.6	14.8	15.5	69.0
New Applicants - SCCAP-eligible cases claiming excess expenses (N=155)	9.7	10.4	13.0	77.3
New Applicants - SCCAP-eligible FSP nonparticipants (N=208)	14.4	NA	NA	NA
	p < .01	p < .01	p < .05	p < .01
<b>Total (N=1157)</b>	<b>18.1%</b>	<b>15.6%</b>	<b>18.0%</b>	<b>70.6%</b>

Source: Client satisfaction survey

Note: NA indicates question was not asked of this subgroup

NS indicates differences among groups were not significant

## **B. Rating and Satisfaction with SSA Application Process for New Applicants**

New SSI applicants who applied for benefits after January 1, 1996 were asked to rate aspects of the food stamp application process at the SSA office. Almost 80 percent of the new applicants indicated that they found the food stamp application process to be easy or at least neither hard nor easy. SCCAP participation status made no difference in the reported ease of completing the food stamp application at the SSA. Both SCCAP participants and those receiving food stamps outside of the demonstration due to excess expenses tended to say the process was easy. No significant differences were found between elderly and disabled cases on the ease of the application process.

Since most clients surveyed found the application process easy, it's not surprising that most were satisfied with the process. New SSI applicants were asked to rate their satisfaction in five questions on a 5-point Likert scale ranging from 'very dissatisfied' to 'very satisfied'. Overall responses are summarized in Table IX.3.

**Table IX.3**  
**Satisfaction with Service at the SSA Office**

<b>Question</b>	<b>N</b>	<b>% Somewhat or Very Satisfied</b>
<b>How satisfied were you with:</b>		
<b>The time it took to be notified of SSI eligibility? (q. 47)</b>	280	73 %
<b>Being able to apply for SSI and food stamps in the same place? (q.48)</b>	281	67
<b>The ease of completing the food stamp application process at SSA? (q.49)</b>	278	56
<b>The amount of time SSA staff took to explain the FSP? (q.50)</b>	280	60
<b>The accuracy of information provided by SSA regarding the FSP? (q.51)</b>	278	59

Source: Client satisfaction survey

No significant differences were found for questions 47 or 48 when comparing the new SCCAP participants to those opting for the regular application process due to excess expenses. Small but statistically significant differences did emerge for questions 49, 50, and 51 and are summarized in Table IX.4.

**Table IX.4**  
**Satisfaction with**  
**Ease, Time, and Information Accuracy at the SSA Office**

<b>Question</b>	<b>% Somewhat or Very Satisfied</b>			
	<b>How satisfied were you with:</b>			
	SCCAP participants	N	SCCAP-eligible cases claiming excess expenses	N
<b>The ease of completing the food stamp application process at SSA? (q.49) **</b>	63%	139	49%	139
<b>The amount of time SSA staff took to explain the FSP? (q.50) **</b>	67%	140	52%	140
<b>The accuracy of information provided by SSA regarding FSP? (q.51) *</b>	66%	139	51%	139

Source: Client satisfaction survey

\*  $p < .05$

\*\*  $p < .01$

Demonstration-eligible SSI applicants who claim excess expenses and receive food stamp benefits outside of SCCAP expressed somewhat lower levels of satisfaction than new SSI applicants participating in SCCAP. Key areas of difference were their experiences with the ease of application process, the time SSA staff took to explain the FSP, and the accuracy of information provided by SSA. For both groups, however, overall responses were generally positive. Very few respondents in either group indicated they were “somewhat or very dissatisfied.” Differences in levels of satisfaction between the SCCAP participants and those claiming excess expenses appear to be solely with the under age 65 (disabled) group. Within this

disabled group, which accounts for more than 60 percent of the survey respondents, SCCAP participants were significantly more satisfied than those claiming excess expenses.

Elderly and disabled clients differed significantly from each other on their level of satisfaction on only one of the five questions noted above. Sixty-six percent of elderly respondents reported being satisfied or very satisfied with the time it took SSA staff to explain the FSP to them compared with only 56 percent of those under 65 years old.

**C. Satisfaction with the SCDSS Application Process for New Applicants.**

As with the SSA office application process, respondents who had applied for food stamps at the SCDSS office after January 1, 1996 were asked to rate their satisfaction with the application process. Respondents were asked two questions to gauge their satisfaction. Again, satisfaction was rated using a 5-point Likert scale. Responses are summarized in Table IX.5.

**Table IX.5**  
**Satisfaction with Service at the SCDSS Office**

<b>Question</b>	<b>N</b>	<b>% Somewhat or Very Satisfied</b>
<b>How satisfied were you with:</b>		
<b>The time SCDSS took to explain the FSP or SCCAP? (q.53)</b>	280	74 %
<b>The time between completing the FSP application and notification about eligibility (q.54)</b>	281	77%

Source: Client satisfaction survey

As with the responses obtained when satisfaction with the SSA was assessed, satisfaction with the food stamp application process at the SCDSS was consistently high. For items 53 and 54, only 11 and 6 percent (respectively) of the respondents answered “somewhat or very dissatisfied.” Neither of these items differed significantly across participation subgroup (i.e., SCCAP participant versus excess expense cases). Similarly, no significant differences were observed between the ratings of elderly and disabled new SSI applicants on these items.



#### **D. Rating of SCDSS Processes, including FSP Nonparticipants**

Additional analysis of perceptions regarding the application process was conducted for all persons who applied for food stamps at the SCDSS (including those who were not participating in the FSP at the time the sample was drawn). Respondents were asked to rate the ease of completing the application process at the SCDSS office. As with satisfaction, perceived ease was rated on a 5-point Likert scale ranging from "very easy" to "very hard." Over 80 percent responded that the process was easy or at least neither easy nor hard. Respondents who applied for but were not participating in the FSP were significantly less likely to report that the application process was easy or neither easy nor hard compared with respondents who were participating in the FSP (Table IX.6). Given that these individuals were indeed eligible for SCCAP but were not participating, it appears that they must have decided not to participate in the FSP after beginning the application process.

**Table IX.6**  
**New SSI Applicants' Perception of the Food Stamp Application Process**  
**at the SCDSS Office**

Question	% Easy or Neither (not hard)					
	SCCAP participants	N	SCCAP-eligible cases claiming excess expenses	N	SCCAP-eligible FSP nonparticipants	N
<b>How do you rate the process for completing the food stamp application process at the SCDSS office? (q. 11a) **</b>	83 %	68	83 %	99	59 %	32

Source: Client satisfaction survey

\*\* p < .01

It is possible that these individuals applied at the SCDSS office in order to be approved for excess expense status, which requires additional verification of actual expenses. Since these

households were not in excess expense status when the sample was drawn, we can only surmise that they did not complete the regular application process and subsequently were not participating in the FSP at all. Not surprisingly, this group rates the application process as more difficult than other food stamp participants. However, the differences are statistically significant only for the elderly, as indicated in Table IX.7.

**Table IX.7**  
**New SSI Applicants' Perceived Ease of the Food Stamp Application Process**  
**at the SCDSS Office by Participation and Elderly Status**

<b>Question:</b>  <b>How do you rate the process for completing the food stamp application process at the SCDSS office? (q. 11a)</b>	% Easy or Neither (not hard)					
	SCCAP participants	N	SCCAP-eligible cases claiming excess expenses	N	SCCAP-eligible FSP nonparticipants	N
<b>Sample members &lt;65 years old (disabled)</b>	86 %	44	84 %	73	69 %	26
<b>Sample members aged 65 years or older (elderly) *</b>	92 %	24	81%	26	17%	6

Source: Client satisfaction survey

\*  $p < .05$

Significant differences were found by participation status in other aspects of SCDSS processes, as indicated in Table IX.8. Specifically, SCCAP participants and those eligible for the demonstration who chose to claim excess expenses were each significantly more satisfied ( $p < .01$ ) than FSP nonparticipants regarding the time it took SCDSS office staff to answer questions or solve problems. The difference between SCCAP participants and those claiming excess expenses was not statistically significant.

**Table IX.8**  
**Satisfaction with the Time SCDSS Staff take to Answer Questions**  
**or Solve Problems by Participation Status**

Question	% Satisfied or Neither (not dissatisfied)		
	SCCAP participants (N = 125)	SCCAP-eligible cases claiming excess expenses (N =212)	SCCAP-eligible FSP nonparticipants (N=67)
<b>How satisfied are you with:</b>			
<b>The time it takes SCDSS staff to answer your questions or solve problems? (q.14) *</b>	89 %	86 %	66 %

Source: Client satisfaction survey

\*  $p < .01$

Furthermore, new SSI applicants tended to be somewhat more satisfied with their experience than either the outreach or conversion subgroups, as indicated in Table IX.9.

**Table IX.9**  
**Satisfaction with the Time Taken to Answer Questions**  
**or Solve Problems by Sample Entry Status**

Question	% Satisfied or Neither (not dissatisfied)		
	Conversions (N=56)	Outreach Cases (N=106)	New SSI Applicants (N=242)
<b>How satisfied are you with:</b>			
<b>The time SCDSS takes to answer your questions or solve problems? (q.14) *</b>	82 %	77 %	87 %

Source: Client satisfaction survey

\*  $p < .05$

As with the earlier item regarding ease of the application process, elderly respondents who expressed higher levels of dissatisfaction with the time that the SCDSS spends with them were most likely to be FSP nonparticipants. As shown in Table IX.10, the percentage of nonparticipants who are satisfied with the time taken to answer questions or solve problems

declines from 70 percent to 29 percent when comparing those under age 65 with those age 65 years or older.

**Table IX.10**

**Satisfaction with the Time Taken to Answer Questions  
or Solve Problems by Participation and Elderly Status**

Question	% Satisfied or Neither (not dissatisfied)					
<b>How satisfied are you with:</b>						
<b>The time SCDSS takes to answer your questions or solve problems? (q. 14)</b>	SCCAP participants	N	SCCAP-eligible cases claiming excess expenses	N	SCCAP-eligible FSP nonparticipants	N
<b>Sample members &lt;65 years old (disabled) *</b>	90 %	77	84 %	152	70 %	60
<b>Sample members aged 65 years or older (elderly) *</b>	88 %	48	93%	58	29%	7

Source: Client satisfaction survey

\*  $p < .01$

The most critical finding from the client survey is the very low level of awareness and knowledge about SCCAP and its rules and options, even among program participants. In some cases, it is likely that others who help care for the participants may handle their administrative matters and, as a result, the participants themselves may not be very knowledgeable about SCCAP. However, we suspect that substantially large numbers of FSP clients, especially those who were converted to SCCAP, may not have a clear understanding of the changes that they have experienced as a result of the demonstration.

SCCAP-eligible respondents who have had interactions with the SCDSS and the SSA in conjunction with food stamp activities report moderately high levels of satisfaction with their experiences in these offices. The majority of respondents found food stamp application processes at the SSA to be easy and expressed high levels of satisfaction on five measures. SCCAP-eligible cases claiming excess expenses that were under the age of 65 were least

satisfied with their food stamp experience at the SSA. Given that the disabled population typically has to go through a longer period of eligibility determination, it is not surprising that this group reports lower levels of satisfaction.

SCCAP-eligible individuals who applied for food stamps at the SCDSS but were not participating in the program when the sample was selected expressed the lowest levels of satisfaction and were more likely than others to rate the application process at the SCDSS as difficult. This was particularly true for elderly respondents in this subgroup. It is possible that these individuals went through the regular application process in an attempt to obtain higher benefit amounts due to excess expenses; but when that was not granted, they may have chosen not to participate in the FSP at all. This suggests that elderly food stamp nonparticipants are likely to be the least satisfied with their experience with the application processes associated with the Food Stamp Program.

## **X. Summary and Conclusions**

In October 1997, the South Carolina Department of Social Services was granted an extension of the SCCAP demonstration. Based on the success demonstrated to date, the FNS agreed to extend SCCAP for a maximum of three years, through September 30, 2000. During this time, Congress will have a chance to review the findings of this evaluation and determine whether the results warrant amending the Food Stamp Act so that South Carolina can continue to use the special provisions of SCCAP as part of its normal FSP operations.

This chapter provides an overview of the major evaluation findings. Specifically, the discussion will focus on whether South Carolina has been able to achieve the primary objectives of SCCAP: increased FSP participation among SSI households, minimized administrative costs, and improved client satisfaction with services received. The report concludes with a discussion of the lessons learned from implementing SCCAP, particularly those that may be relevant to expanding the demonstration to other states.

### **A. Major Findings**

South Carolina has been successful in meeting the objectives set forth by the SCCAP demonstration. The SCDSS, in collaboration with the SSA and the FNS, has implemented a joint processing alternative that has benefited both clients and the agency. The major findings of the SCCAP evaluation are summarized below. Results are presented in relation to each of the three primary objectives of SCCAP.

### **Increase FSP participation among SSI households**

- Estimates based on national data suggest that the rate of food stamp participation among SSI recipients in South Carolina increased from 38 percent in 1994 to 50 percent in 1998 while the national rate decreased from 42 percent to 38 percent during the same period.
- SCCAP outreach efforts resulted in over 8,500 new FSP cases.
- Each year, approximately 840 new SSI recipients take advantage of the streamlined SCCAP application process and enroll in the FSP.

### **Limit administrative costs by minimizing duplication of intake and application procedures**

- Initial start-up costs were estimated to be less than \$200,000.
- The SCDSS estimates it was able to reallocate the equivalent of 40 full time caseworkers (at least \$700,000 in labor costs) by centralizing the SCCAP caseload at the state office in Columbia.
- Ongoing administrative costs are estimated at less than \$125,000 per year. The added burden at the SSA is a mere \$2,360 annually.

### **Improve client satisfaction with the services received**

- Almost 80 percent of new SSI applicants report that the FSP application process at the SSA was “easy” or “neither easy nor hard.”
- Overall, the majority of new SSI applicants were either “somewhat satisfied” or “very satisfied” with: (1) the option of applying for SSI and food stamps in the same place, (2) the amount of time SSA staff took to explain the FSP, (3) the accuracy of the information provided by the SSA about the FSP, and (4) the ease of completing the food stamp application process at the SSA.
- Clients who applied for food stamps at the SCDSS office also reported being satisfied with (1) the amount of time staff took to explain the FSP, and (2) the delay between completing the application and being notified about eligibility.
- Demonstration participants reported higher levels of satisfaction with some aspects of the demonstration than those who chose to go through regular processing to claim excess expenses did.

## **B. Challenges to SCCAP Implementation**

It is clear that the SCCAP demonstration has been a learning experience for all involved. The SCDSS has faced several challenges while implementing this alternative to joint processing. While some improvements still need to be made, program staff have managed to successfully overcome most of the barriers encountered during the past several years. Based on their experiences, SCDSS and SSA staff offer the following “lessons learned”:

- **Systems support is a must.** South Carolina has experienced several problems and delays due to programming difficulties. From the SSA perspective, the inability to modify their national system has limited the ability to automate the FSP application process. The SCDSS is also forced to manually enter data that could be automatically transferred if their system were appropriately programmed. While some computer modifications have streamlined the application process, further programming is needed to realize the full potential of SCCAP as it was originally envisioned. Although SCCAP is not fully automated in South Carolina yet, program staff report that the current system is still a vast improvement over regular FSP application processing.
- **The use of standardized shelter expenses can result in decreased benefits for some households and increased benefits for others.** Based on supplemental QC data, the demonstration resulted in a 17 percent reduction in total benefits paid (a monthly average of \$4.47 less per case). Depending on actual expenses, the effect of the SCCAP benefit calculation formula at the individual case level varied: 63 percent received higher benefits under SCCAP compared to what they would have received through regular FSP processing, 36 percent received lower benefits under SCCAP compared to the FSP, and 1 percent received the same amount under SCCAP that they would have received under the FSP. Since federal statute prohibits the use of a standard that increases deductions for households with no or low expenses relative to income, the use of standardized shelter expenses may make future replication of this streamlined application model questionable.
- **Avoid the need to restore lost benefits.** SCDSS staff report that the restoration of lost benefits and transfer of some cases back to the regular FSP caseload was extremely time consuming and labor intensive. The decrease in benefits suffered by many households created great confusion among both



clients and staff. It is important that program options (e.g., claiming excess expenses) and the formula used to calculate benefits (particularly the use of standard amounts in place of actual expenses) be clear to all staff to avoid any misunderstandings that may result in lost benefits.

- **Train front-line staff adequately.** SCDSS staff report that the training of their caseworkers did not adequately prepare them to answer clients' questions. Program staff suggest that sufficient training (5-7 hours) be provided to all front-line staff before the demonstration is fully operational. This will avoid some of the confusion that is likely to occur when clients are converted to a new program or face new application procedures.
- **Allow for adequate staffing to ensure that applications are processed in a timely fashion.** Because federal statute requires that FSP applications be processed within a limited time, it is important to have enough staff available to handle the large influx of applications that can result from outreach efforts. SCCAP outreach efforts were delayed in part because of inadequate staffing at the central office and temporary help was hired to clear the backlog of outreach applications waiting to be processed. To avoid this problem, SCDSS staff suggest that sufficient personnel be hired before a major outreach effort is conducted.
- **Certain aspects of the electronic benefit transfer (EBT) system run counter to the purpose of joint processing.** Joint processing is intended to eliminate the need for clients to visit both the SSA and food stamp offices. In South Carolina, the change to EBT technology (from mail issuance of benefits) meant that SCCAP participants had to go to their local SCDSS office to pick up their EBT card and be trained on how to use it. Program staff report that not only is this trip difficult for many of their elderly and disabled clients, but many SCCAP participants do not even understand that they must visit the local office before they can access their benefits. Programs should consider alternative means of card delivery and training, particularly for clients eligible for joint processing.

While the problems faced by different agencies in different states will vary, a lot can be learned from the SCCAP implementation. Although some areas of operation warrant further investigation, the SCCAP evaluation findings indicate that this alternative approach to joint processing is worthy of replication on a larger scale.

## REFERENCES

Federal Register Notice. Vol. 59, No. 46, March 9, 1994.

Hamilton, W., Cook, J., et al. "Household Food Security in the United States in 1995: Summary Report of the Food Security Measurement Project." Prepared for U.S. Department of Agriculture, Office of Analysis and Evaluation. 1997.

Ohls, J. and Beebout, H. "The Food Stamp Program: Design Tradeoffs, Policy, and Impacts. A Mathematica Policy Research Study." Washington, D.C.: The Urban Institute Press, 1993.

"Recipients in Force: Quarterly Report." Baltimore, MD. SSA Central Office, 1996-1998.

Social Security Administration. "Social Security: Understanding the Benefits". SSA Publication No. 05-10024. 1998.

SSA. Social Security Bulletin. 61(1), 86-104. 1998.

"South Carolina SSI Standard Individualized Benefit Project." Prepared by the South Carolina Department of Social Services Economic Support Division, November 2, 1992.

Stavrianos, Michael. "Food Stamp Participation Rates: January 1994." Mathematica Policy Research, Washington, D.C.: March 1997

Trippe, C. and Cody, S. "Trends in FSP Participation Rates: Focus on August 1995." Mathematica Policy Research, Inc. Washington, D.C.: 1997.

U.S. Department of Agriculture. Online Homepage: <http://www.usda.gov/fcs/stamps>.

## LIST OF ACRONYMS

CHIP	Client History and Information Profile
CPS	Current Population Survey
DHEC	Department of Health and Environmental Control
DIR	Decision Information Resources, Inc.
EBT	Electronic Benefit Transfer
FNS	Food and Nutrition Service
FSP	Food Stamp Program
FTE	Full Time Equivalent
FY	Fiscal Year
IQCS	Integrated Quality Control System
LAC	Living Arrangement Code
MSSICS	Modernized Supplemental Security Income Claims System
QC	Quality Control
SCCAP	South Carolina Combined Application Project
SCCAP E	SCCAP-eligible case claiming excess expenses
SCCAP N	SCCAP-eligible FSP nonparticipant
SCCAP Y	SCCAP participant
SCDSS	South Carolina Department of Social Services
SDX	State Data Exchange
SSA	Social Security Administration
SSI	Supplemental Security Income
TANF	Temporary Assistance for Needy Families
USDA	United States Department of Agriculture